

# RADIO BUSINESS REPORT™

VOICE OF THE RADIO BROADCASTING INDUSTRY®

**Integrity.  
Discretion.  
Intelligence.  
Results!**

## RADIO NEWS

<b>DOJ's spinning wheel costs CBS seven .....</b>	<b>3</b>
The CBS-ARS merger is a step closer to closure after CBS agreed to abide by the DOJ's requirement that stations in Boston, St. Louis and Baltimore are spun off.	
<b>Revenue Rt. 66: Another up month for radio .....</b>	<b>3</b>
<b>Capstar sees profits in Prophet .....</b>	<b>4</b>
<b>Arbitron's Boston redefine will bump it to #6 or #7 .....</b>	<b>4</b>
<b>Done deals spell trading slowdown .....</b>	<b>4</b>
<b>IBOC test arrows to be fired from DC backup tower .....</b>	<b>4</b>
<b>Wall Streeters can bend and stretch and reach for a Capstar .....</b>	<b>4</b>
<b>RAB at the Wehling wall? P&amp;G marketer addresses board members .....</b>	<b>6</b>

## RBR INTERNATIONAL

<b>Trading fever markups catching up to foreign radio pricetags .....</b>	<b>8</b>
---	----------

## ENGINEERED FOR PROFIT™

<b>Fit of Peak? Chancellor consolidates Denver studios .....</b>	<b>10-14</b>
--	--------------

## BROADCAST INVESTMENTS™

<b>Triangle will be OTC gay play; PR&amp;E outperforms expectations .....</b>	<b>16</b>
---	-----------

## MEDIA MARKETS & MONEY™

<b>Capstar IPO fuels plans to expand .....</b>	<b>18</b>
Already radio's largest group in terms of stations, Capstar's entry onto Wall Street will help fund its purchase of SFX. Related spin-offs announced, only WTAE remains.	
<b>Cumulus chooses Wall Street for coming out party .....</b>	<b>19</b>
<b>Emmis TV deal brings in Terre Haute radio trio .....</b>	<b>20</b>
<b>CCC gets More than it bargained for in British billboard buy .....</b>	<b>22</b>
<b>Numbers games: News from Emmis, Triathlon, Big City .....</b>	<b>22</b>
<b>The K-MUS is loose: Cheyenne FM goes to Jacor .....</b>	<b>22</b>
<b>Capstar gets burly in Burlington .....</b>	<b>22</b>

BRIAN E. COBB  
CHARLES E. GIDDENS  
703-827-2727

RANDALL E. JEFFERY  
RANDALL E. JEFFERY, JR.  
407-295-2572

ELLIOT B. EVERS  
415-391-4877

GEORGE I. OTWELL  
513-769-4477

RADIO and TELEVISION  
BROKERAGE • APPRAISALS



**MEDIA VENTURE  
PARTNERS**

WASHINGTON, DC  
ORLANDO • CINCINNATI  
SAN FRANCISCO

Is the  changing for radio?

P&G's Robert Wehling talks to radio about radio.

# WAN CASTING™

WIDE AREA NETWORK

## WANcasting™ is a must for groups

WANcasting allows stations to send copies of system data and audio such as spots, songs, music and traffic logs, and VoiceTRACs between linked sites via Frame Relay networks of any speed.

## WANcasting in Use

One example of WANcasting is the Star System™ created by CapStar. They have created a central hub located in Austin, TX. From this central hub they create and distribute the audio needed to run their sites across the country.

Basically, they broadcast across the WAN. The D-Js at Austin bring up a copy of the log for the remote site. They create the VoiceTRACs for the songs in the logs and simply click the mouse to send them down the line. At the remote site the system sees the arrival of the new VoiceTRACs and automatically inserts them into the correct log.

All this is done in the background without the intervention of a single person. By investing in top talent that is all gathered in one location CapStar has simplified their personnel management and insured a quality product.

Other WANcasting sites share talent across several stations. Morning talent at site A will do the morning show for site B, C & D. The afternoon talent at site C will do the afternoon show at site A & B and the evening show for D.

## The Bottom Line

There is no limit to how you can use WANcasting to cost-effectively make the most of talent across your entire group. And since the monthly charge for WANs typically runs a few hundred dollars per site the amount of dollars put to the bottom line can be dramatic!

For example - say you have a 5 site group. You decide to use WANcasting by having the afternoon talent at site A do the overnights for site B, C, D & E. Even this very limited use will save the company close to \$100,000 per year! The calculations are simple.

Figure an average of \$2300.00 per person (salary and benefits)  
X 4

which equals \$9200.00 per month  
or \$110,400 per year.

Depending on locations of the sites the WAN charges will run about \$12,000 per year. *This leaves \$98,400 added to the bottom line.*

Once the WAN is amortized additional shifts that are added to WANcasting will save the entire cost of the salary!

## Use Your Best Talent In More Locations

One can see how super groups such as CapStar can save incredible amounts of money using WANcasting. But the best thing is that the overall quality of the product skyrockets! All groups have stations that typically have not be able to get top talent. Maybe the site is small, has less than ideal management or ratings. With WANcasting you can put your best talent on stations that could never afford to hire full time talent of the same quality. Better talent equals better ratings which increases sales.

*What a combination! You actually save huge amounts of money while increasing ratings and increasing sales.* This is the exact scenario being enjoyed by CapStar right now. Their "WANcasted" stations have risen dramatically in the ratings which has increased sales.

Talk to any top executive of CapStar if you want their opinion of Prophet Systems and WANcasting.

## Save money - Increase sales

All you have to do is to install Audio Wizard CFS across your group. You will be installing the best, most feature-rich system you can buy and getting all the benefits of WANcasting!

## Eliminate the Need for FedEx

Even if your group has no intention of ever doing VoiceTRACs across the WAN you can still benefit greatly from WANcasting. The WAN can send commercials, promos and news cuts from location to location. This can save significant dollars by reducing or eliminating the need for FedEx or DGS to send audio around the group.

## Speed

First, all audio sent by WANcasting automatically inserts itself into the system playlist eliminating the need for tedious dubbing of audio from one medium to another.

And, the speed of WANcasting can be a significant plus to news- and sports-based operations. At 256k, WAN can transmit a minute long news cut across the county *in under 15 seconds!* Fast paced news operations can beat the competition by minutes or even hours. Top talent can easily produce and send promos across the group. Agency ads can be easily sent to other locations saving time and frustration. These are just a few examples of non VoiceTRAC applications of WANcasting.

## Successfully Market Tested

CapStar took a calculated risk installing new technology across their group. You don't have to. You can buy Audio Wizard CFS from Prophet Systems, Inc. and *know* that you are getting technology that has been proven out across some of the largest groups in radio.

You have the peace of mind that comes with buying the proven standard instead of system vendors that simply say that they are "working on it". Don't be misled by empty promises or misguided loyalty to aged traffic or music system vendors.

Buy the leader, buy the safe bet, buy Audio Wizard CFS from Prophet Systems, Inc. Your investors will be glad you did.

**PSi**  
Prophet Systems, Inc

AudioWizard™ for Windows

'nuff said!!

**Sales: (800) 658-4403**

# RADIO NEWS®

Jim Carnegie ..... Publisher

Katy Bachman ..... VP/Editor-in-Chief  
Jack Messmer ..... Senior Editor  
Dave Seyler ..... Senior Editor  
Carl Marcucci ..... Associate Editor  
Frank Saxe ..... Associate Editor  
Mona Wargo ..... FCC Research Consultant

Ken Lee ..... Associate Publisher  
Cathy Carnegie ..... VP Administration  
Ronald Greene ..... Executive Director of Production  
Maggie Daley ..... Account Executive  
Beth Dell'Isola ..... Account Executive  
April Olson ..... Admin. Assistant

## DOJ forces CBS to spin seven

by Frank Saxe

In a settlement with the Department of Justice, CBS Corp. (N:CBS) has agreed to sell seven radio stations in three markets to close on its \$2.6B deal to buy American Radio Systems. (See chart, p. 4)

Assistant Attorney General **Joel Klein** says the settlement "protects national and local advertisers from having to pay higher prices." If the deal had gone through as proposed, CBS would have had 59% of Boston radio revenues, 49% in St. Louis and 46% in Baltimore. "During individualized rate negotiations, advertisers that desire to reach certain listeners can help ensure competitive rates by 'playing off' ARS stations against CBS stations. CBS' acquisition of ARS will end this competition," said DOJ's filing.

DOJ also argues competing stations would not be enticed to change format for fear of losing existing audience shares or attracting enough new listeners to compete with the merged entity.

In the meantime, the seven ARS stations to be spinned must be operated as "separate, independent, ongoing, economically viable and active competitors to CBS' other stations." That will mean separate management, sales, marketing and ad pricing; salespeople cannot be transferred from station to station without DOJ approval.

While DOJ's filings fail to mention format, they do express concerns advertisers would not be able to reach their desired demo. So in Boston, where CBS owns the top-ranked WBZ-AM, DOJ was apparently worried about it owning the other top AMs—both in terms of ratings and billings.

CBS will have six months to sell the stations and will have to call DOJ before buying, JSAing or LMAing any other station in the three markets.

In a CBS statement, CEO **Mel Karmazin** said they are looking forward to closing the ARS deal and adding new top 50 markets.

## SFX deal okayed

DOJ also filed settlements for two other proposed mergers. **Scott Ginsburg's** Chancellor Media (O:AMFM) has agreed to abandon its effort to buy SFX Broadcasting's (O:SFXBA) four Long Island, NY stations—as first reported by *RBR* last month (*RBR* 3/2, p.12). That paves the way for Chancellor's \$638M purchase of 11 other SFX stations.

In a separate settlement, DOJ signed off on Capstar's \$2.1B acquisition of SFX Broadcasting, with the condition it sell 11 stations—four in Greenville-Spartanburg, SC; four in Long Island; and one each in Pittsburgh, Houston and Jackson, MS. Of course, both Capstar and Chancellor have ties to Hicks, Muse, Tate & Furst. DOJ says Capstar would have controlled ad revenues ranging from 74% in Greenville to 43% in Houston. Capstar has buyers for all 11, except WTAE-AM Pittsburgh. *See related story, p. 18*

DOJ's Antitrust Division had sued to block the proposed Chancellor-SFX merger last November (*RBR* 11/10/97, p.3 and *RBR* 2/16, p.4), in its first contested court challenge to a merger since the 1996 Telcom Act passed.

**RBR observation:** If DOJ ever gets around to publishing its criteria for busting up radio deals, we suspect that public libraries will shelve it in the fiction section. If one owner has all the stations in a market, they'd still be a distant third place behind TV and newspaper. But if CBS doesn't want to send in the lawyers, who will?

## Revenues: Radio records 66th straight up month

The fact that the numbers you are about to read seem fairly modest is testament to the roll that radio has been on. February local revenue was up 5%, while national came in up 9% for a gain in total revenues of 6%. We had to go all the way back to August 1996, which had a 5% overall revenue gain, to find a lower increase. (Of course, we'd have to go back five and a half years to find a negative month.)

The February 1998 gains are solid as a rock in two respects. First, they are built on the results of February 1997, which was up 12% in its own right. Second, the gains are spread evenly throughout the US, particularly on the local front. While none of the five regions did better than a 7% increase, none was worse than 4%, indicating that radio is strong from coast to coast and everywhere in between. —DS

© 1998 Radio Business Report, Inc.

Publishers of Radio Business Report, Mid-Week News Brief, the Source Guide, Manager's Business Report and the Information Services Group database. Material may not be reproduced without permission.

EDITORIAL/ADVERTISING OFFICES: 6208-B Old Franconia Road, Alexandria, VA 22310 (or) P.O. Box 782, Springfield, VA 22150

Main Phone: 703/719-9500 • Editorial/Sales Fax: 703-719-7910 • Subscription Phone: 703-719-7721 • Subscription Fax: 703-719-7725

Advertising sales information: Ken Lee 703-719-9500 • Fax 703-719-9509

Email the Publisher: JCRBR@aol.com • Email Editor: Kbachman@aol.com • Email Editorial: radiobiz@aol.com • Email Sales: KenLeeRBR@aol.com

## CBS: What must go

(see story p.3)

Market	Station	Format
Boston	WEEI-AM	Sports
	WRKO-AM	Talk
	WEGQ-FM	Classic Hits
	WAAF-FM	AOR
St. Louis	KSD-FM	Classic Rock
	KLOU-FM	Oldies
Baltimore	WOCT-FM	Oldies/70s

Source: DOJ

**RBR observation:** Jacor is a logical buyer for all three markets and is already in St. Louis and Baltimore. Also, Jacor has to spin-off some San Diego stations, which would be attractive to CBS.

## Boston to go up in market rank

by Katy Bachman

Last week, six out of seven Boston owners formally requested that Arbitron redefine the Boston metro. As a result, Boston is likely to go up in market rank from #10 to #7, possibly as high as #6 in Fall '98.

According to Arbitron's redefinition criteria (15% of population must commute to the metro and contribute 55% of AQH), Boston, (#6-ranked ADI) will gain the populations of two split counties: Hillsborough REM (remainder) in NH and Worcester REM in MA, bringing Boston's estimated population to 3,692,600 (using Fa '97 numbers) and, depending on Fa '98 population estimates, jumping it ahead of #9 Houston-Galveston, #8 Washington, DC, and #7 Detroit.

The move comes less than a month after Arbitron issued its new policy for redefining metro survey areas. Boston was one of 25 markets eligible for redefinition. "About 400,000 or 11% of the population commuting into the metro had high listening levels and were unaccounted for," said **David Pearlman**, Co-COO, ARS, who spearheaded the development of the new redefinition policy.

**RBR observation:** So far, there's no indication that Boston will reap significant increases in national billings. Katz Radio has done several studies trending back 10 years showing that there's no direct correlation between Arbitron metro rank and national revenues. However, the new rank could affect something equally as precious in today's radio environment: stick value.

## Transaction volume drops

After two record-setting years for station trading, it's hardly surprising that the consolidation rush has finally slowed. With the top five radio groups now owning nearly 1,000 stations collectively, there just aren't a lot of desirable properties left to buy in the big markets.

For the first three months of this year, transactions reported in *RBR's* pages totaled \$1.76B—a far cry from \$4.32B for Q1 1997.

The mega-deals tell the story. There were six deals January-March 1997 of \$100M or more, including two over \$1B. So far this year there have been only two \$100M+ deals and none even approaching the billion mark.—JM

## USADR to test IBOC in DC

USADR is getting ready for its next IBOC test in June/July, running propagation and multipath delay studies on the open Channel 6 TV frequency (just below the FM band) in Washington DC from the CBS O&O WARW-FM backup tower. USADR also has experimental licenses for other DC-area tower sites including WPGC-FM and WHFS-FM.—CM

## RBR News Briefs

- RAB membership has hit 5,003—an all time high. It's an increase of 113% over 1991 membership when RAB President **Gary Fries** took office.

- In a ruling that guarantees **Casey Kasem's** right to air on Chancellor's AMFM Radio Networks, Superior Court of LA County Judge **Arnold Gold** threw out Westwood One's request for a preliminary injunction March 30. WW1's \$10M suit against Kasem and Chancellor is still pending.

- The NAB ranks 40th on the Center for Responsive Politics list of highest-spending lobbyists. They say NAB spent \$2.34M in 1997.

- FCC's new streamlining proposal introduced last week includes mandatory electronic filing for 16 key broadcast application and reporting forms.

- Strategic Media Research adds direct marketing to its research services after acquiring the assets, including about 50 clients of Marketing/Research Partners, Inc. Those will be rolled into a new limited liability company called Strategic Media Marketing, LLC.

- The American Radio Manufacturers Association (ARMA) is planning its first convention (Philadelphia or Atlantic City) for early June.

## Steve Hicks' busy week: Filing Capstar IPO; Settling with DOJ; Buying Prophet Systems

By Jack Messmer

Capstar Broadcasting is buying Prophet Systems Inc., taking into Capstar the company whose software is used for the Star System which will eventually link all Capstar stations (*RBR* 9/15/97, p. 10). The deal capped off a week which also saw Capstar announce a series of station sales, file for a public stock offering and settle with the Department of Justice's Antitrust Division.

"Prophet Systems represents an excellent investment for Capstar," said President/CEO **Steve Hicks**. "We believe that with our resources, Prophet Systems will be better able to utilize their innovative capabilities to quickly introduce new products to the broadcasting industry. Everyone in radio will benefit from this technology, raising the standards for programming nationwide."

"There are several new products we want to introduce to the market," said **Kevin Lockhart**, President/CEO of Prophet Systems. "As a result of this sale we will be freer to focus on ways to enhance our existing products, as well as develop new technology, products and services for the benefit of the entire broadcast industry."

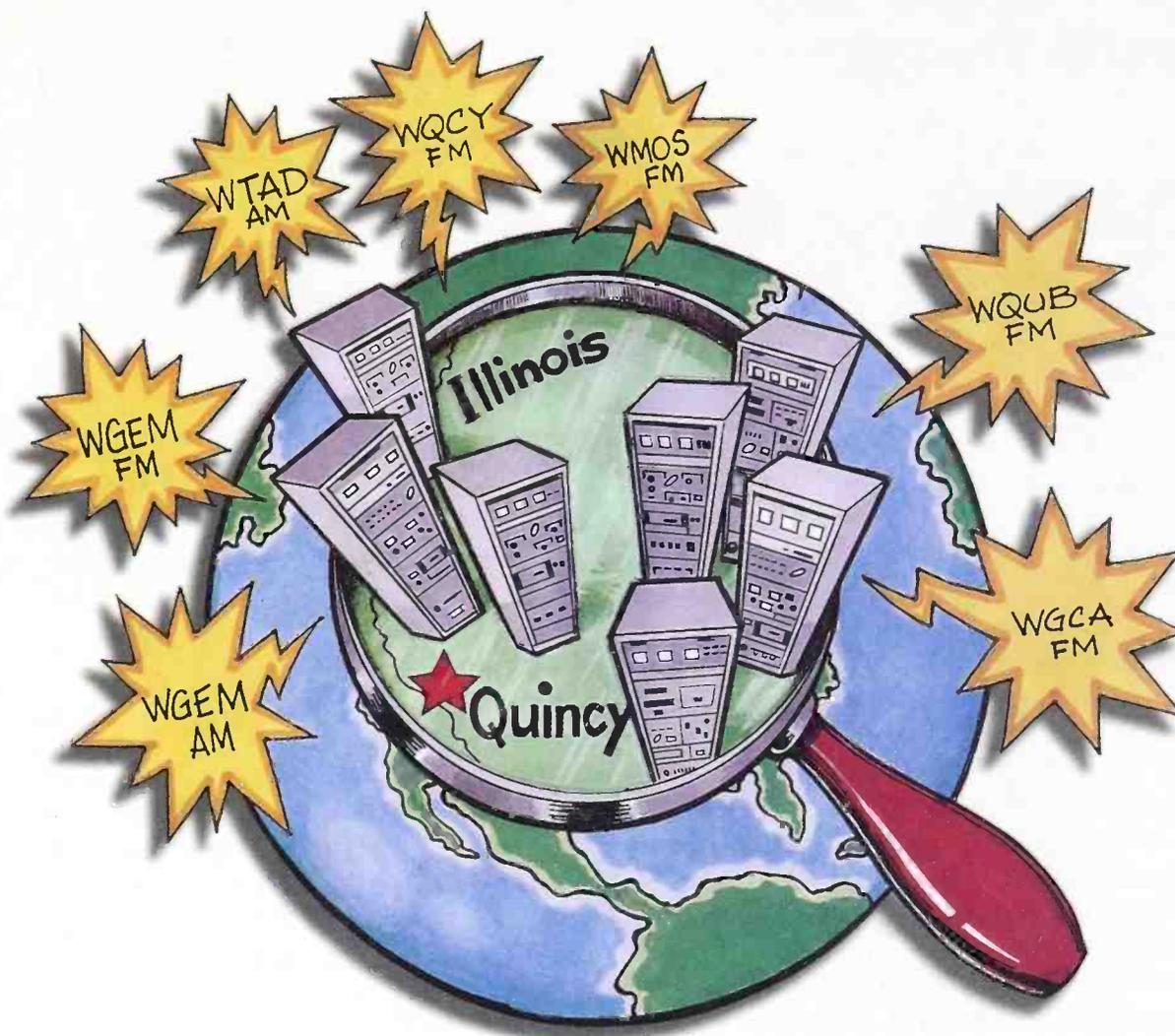
### SFX okayed, but DOJ still looking

Capstar's latest station sales will allow Hicks to close the \$2.1B SFX deal (*RBR* 9/1/97, p. 10) in compliance with Telcom ownership limits and satisfy DOJ antitrust concerns. Only one spin-off remains to make the SFX transaction pass muster with regulators and efforts are underway to find a buyer for WTAE-AM Pittsburgh. Even so, Capstar's DOJ distractions aren't over. The IPO filing revealed that antitrust attorneys are looking into the market shares of Capstar's stations in Fort Smith, AR; Baton Rouge, LA; Cedar Rapids, IA; Texarkana, TX-AR; and Roanoke, VA.—JM

See page 18 for complete deal info and financial details of Capstar's IPO.

A NEW WORLD OF RADIO BROADCAST SOLUTIONS

# 100% Market Share.



## Radio Transmitter Manufacturing Capital Chooses Harris.

Broadcasters understand the significance of 100% market share. It's often pursued and rarely achieved. It means that you know your customer's needs... Your quality standards are extremely high... And, you are ahead of the competition by leaps and bounds.

Quincy, Illinois is the world capital for radio broadcast transmitter manufacturing. It's also a place where you can go across town to check out a company's quality standards and demo new products before making a buying decision.

With this convenience easily at hand, all radio broadcasters in Quincy have chosen Harris transmitters—hands down. In addition, nineteen other Harris transmitters are the choice in the local Hannibal, MO and Keokuk, IA areas.

All of Harris' transmitters are manufactured under strict ISO 9001 quality control standards which means we take great pride in the products we deliver to our customers. In addition to this,

we support all of our product lines with a 24-hour service number so you can call anytime day or night. We are a total solutions supplier who can update or completely renovate your radio studio facility from beginning to end—or supply anything in between.

This is what you get when you deal with a company that has been in the

radio broadcast industry for over 75 years—longer than any other U.S. radio transmitter manufacturer.

When it comes to choosing the best quality, value, and service, it all boils down to one simple fact that Quincy engineers have come to realize: There's a big difference between ordinary and **extraordinary** which can also be the difference between 0 and **100%** market share.

### Most recent world firsts in radio broadcast

- 1987: Harris introduces Digital Amplitude Modulation technology used in DX series medium wave broadcast transmitters.
- 1991: Harris demonstrates prototype digital FM exciter
- 1993: Harris introduces DIGIT, world's first digital FM exciter
- 1994: Harris introduces AES3 input module which allows DIGIT to directly accept digital studio standard audio
- 1996: Harris introduces Platinum Z FM transmitter and DIGIT CD digital FM exciter
- 1997: Harris introduces world's first **uncompressed** digital 950 MHz STL

### HARRIS CORPORATION BROADCAST DIVISION

U.S. and Canada:  
TEL:+ 1 217 222-8200  
FAX:+1 217 224-1439  
Elsewhere  
TEL:+1 217 222-8290  
FAX:+1 217 224-2764

<http://www.broadcast.harris.com>



A new world of broadcast solutions

©1998 Harris Corp.

# P&G exec headlines RAB Board meet

by Katy Bachman

RAB Board members couldn't stop talking about **Robert Wehling**, Procter & Gamble's SVP of Marketing, the man who oversees advertising expenditures totalling more than \$2B annually for more than 100 brands.

Wehling attended the Orlando meeting March 28 to push the Ad Council, for which radio is by far—53%—the biggest media contributor. Yet it was Wehling's candid remarks concerning P&G's use of radio that had broadcasters buzzing.

For some broadcasters, Wehling's perspective was a bitter pill to swallow, although the reaction hardly compared to the almost lynch mob mentality **Claude Caylor**, Pizza Hut's VP/Media Services faced at the February MLC.

RAB President **Gary Fries** says the industry needs to hear more from ad-

vertisers like Wehling and Caylor: "Certain groups of radio people become very defensive and they lose perspective of what this person has to say. He is the customer and he has the right to choose media. We're not going to just present advertisers that are already on our train. We now have a dialog with P&G at the very top and this is a major accomplishment for this industry."

**'If I were you, I'd do a full court press with the national advertising agencies. Go to the top management, be willing to do business in a different way.'**

When Wehling joined P&G in the 60s, the company was plenty entrenched in radio and had the information about the medium to back it up. Even though P&G has increased its expenditures over the last three years from \$10M to \$30M (see chart, below right), radio is used sparingly (1.5% of total dollars) for a few select brands such as Folgers, Tide and Pringles.

P&G is particularly interested in including radio in the media mix when it is building new brands. "During a product launch, if you want to create an omnipresence, all media working together is important for overall awareness," said Wehling. Folgers is a prime example. It didn't hurt that

the Folgers' tune heard widely on TV was easily translatable to radio. In radio, P&G saw the opportunity to "reach people in the morning."

When one P&G brand took the plunge, that led to other brands— "copycats," Wehling called them— using radio. "When one does it, they all do."

But don't start knocking on Wehling's door for more money yet. While Wehling sees this period as "a real opportunity for radio," he is also looking for radio to make some changes in how it does business. He urged repeatedly that radio make its pitch to

P&G's agencies. "The brand manager is key to decision-making, but they listen to recommendations by agencies."

"Radio must improve its measurement and accountability," said Wehling. "Agencies lack confidence in the quality of the data; they don't trust the diary. We're doing buys on faith and judgment." Wehling sees radio measurement as less sophisticated than TV, which is moving forward with people meters and is reported far more frequently—daily, weekly.

Like all advertisers, Wehling is concerned with radio's accountability. "If radio is going to be successful with agencies, it will need to be flexible and experiment in how radio sells time, how the campaign is tracked and how it is evaluated. Advertisers have to know they get what they pay for."

Results of a campaign could be tracked in a number of ways. For Mr. Clean, P&G compared the results of using radio in one market versus using no radio in a comparable market. "Go and construct more of those



P&G's billion-dollar man, Robert Wehling

kind of tests," suggested Wehling.

One of Wehling's pet peeves with buying radio is that he believes radio's commercial stopsets have too many commercials and are too long. "Unless we're desperate, we're not going to buy the fourth spot in a string of 10," he said, adding it's a problem he doesn't face much in TV.

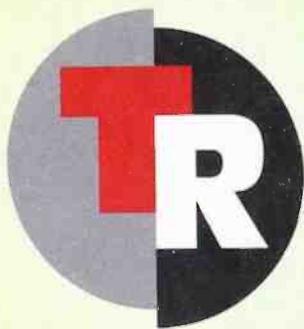
Admittedly, Wehling agreed with broadcasters that one hurdle radio needs to overcome in agencies is something only the advertiser (P&G) can solve: that TV makes more money for the agencies, in production and in commissions. Said Wehling: "For an agency, [media choices] should be neutral, regardless of the medium."

**RBR observation:** There were many hidden lessons in Wehling's radio message. One is that P&G prefers an integrated approach to media campaigns, rather than relying on a single medium. "[Consumers] are going to use media together and radio should be playing that game," said Wehling, who pointed out how one medium can feed another through cross-marketing. Radio companies that can position radio in a mix—radio-outdoor-Internet, for example—will have a leg up.

P&G ups network radio expenditures 10%	
1996	\$20.3M
1997	\$22.4M
Source: Competitive Media Reporting	

**ADD 53 EXPERIENCED, DEDICATED,  
WORKAHOLICS TO YOUR  
PROGRAMMING STAFF AND STILL**

# **HIT YOUR NUMBERS.**



**TOTALRADIO<sup>SM</sup>**

Introducing Total Radio.<sup>SM</sup> Complete, localized music formats, voicetracked by top talent and delivered direct to your hard drive. • And that's just the beginning. Because you also get the expertise of our market-proven consultants and the staff of the most experienced music programming company in radio. • We can even provide a complete programming equipment solution and do it all for either barter or cash. • So whether you need a complete format or a few dayparts, give us a call at 800 426-9082 because hitting your numbers never sounded so good.

[www.bpradio.com](http://www.bpradio.com)

**BROADCAST PROGRAMMING**



**800.426.9082**

A BE Company. Solutions for tomorrow's radio. 

# What do I have to pay?

by Robert Richer\*

One of the tenets of purchasing radio stations outside of the United States has been that they are less expensive than stations inside of the US, until now. As the business grows and prospers throughout the rest of the world, the fever has started to affect pricing, and prices are slowly but surely starting to ratchet up.

Applying purchasing and evaluation models that work inside the US do not necessarily work outside of the US. For example, in the US, music licensing fees are very low and there are no annual license fees paid to the US Treasury. Outside the US, these costs are substantial and impact significantly on the bottom line. Thus, while it is not unusual for a US radio station to have an operating margin of 40% to 50%, it is virtually unheard of to achieve this kind of ratio in any other country.

In the UK, for instance, the government allows what are called "National" licenses. This is exactly what the name says: a license to cover the entire country. This is normally achieved by having a central studio location (London), with transmitters scattered throughout the landscape, in order to achieve a potential reach of as much as 95% of the total population.

At present, there are three National licenses, two on AM and one on FM. The licenses are granted to the highest bidder, and in the case of one of the AM licenses, that means a

payment to the Treasury of £3.8M (\$6.3M) per year, right off the top, before the lights are even turned on. Think about what that would do to your bottom line.

There are also very high social security and universal health contributions, along with the above-mentioned regulatory fees and music licensing fees. These prevail throughout most of the world, and are far above those paid by US broadcasters.

**Virgin Radio**—Sold by Richard Branson to Ginger Productions. One full-power London FM license plus one National AM.

1997 Gross Sales	£17,684,190
Sales Price	£85,000,000
Revenue Multiple	4.8X

**Melody Radio**—Sold by Hanson plc (N:HAN) to EMAP. One full-power London FM license.

1997 Gross Sales	£3,600,000
Sales Price	£25,000,000
Revenue Multiple	6.9X

**Essex Radio**—A small market, four station group, plus one Regional license (similar to a US Class C). Sold to the Daily Mail newspaper group.

1997 Gross Sales	£5,410,000
Sales Price	£21,000,000
Revenue Multiple	3.9X

The good news is that radio in the UK and throughout Europe continues to grow at near geometric rates. The UK has seen radio grow at a rate of some 15% a year, and is projected to grow at an annual rate of at least 9% through 2005.

So what has all this done to station pricing? There have been three sales this past quarter in the UK worth studying. Two are groups, and one is an individual station.

Cash flow multiples on these sales ranged from an estimated 19.8X to 41.7X to 17.8X, respectively. The term "cash flow" as we know it, is relatively unknown throughout Europe. Multiples of gross revenues are more widely understood.

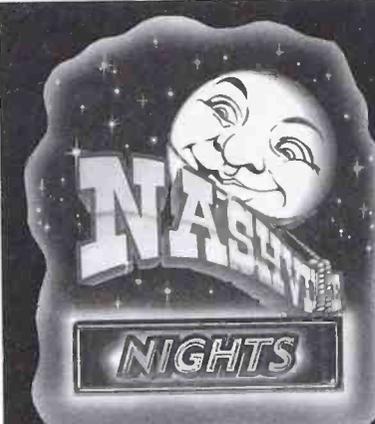
We are starting to see comparable price increases in other parts of the world. France is extremely active in station trading right now, and even with a government regulation requiring 40% "French Content" music, stations are bringing increasingly higher prices.

In Russia, particularly in Moscow, station pricing is on the upswing, primarily because of the general election set for the year 2000. Major banks and corporations have discovered the impact of local radio, and are attempting to purchase any station that is available.

Essentially, however, radio around the world is starting to hit the critical mass of considerable reach and increasing revenues. This guarantees that cash flow will continue to improve, and prices will continue to escalate.

It is a nice elevator to ride.

\* Robert Richer is president, International Media Consulting. mediabroker@juno.com 860-677-9688



## WSIX-FM Nashville wants it... what about you?

- Live from Music Row!
- Music Intensive
- Celebrity Interviews
- 5 nights a week
- Phone Interaction
- 7p-mid in all time zones

Call Michael Henderson Director of Affiliate Sales 303-784-8700

## Here are three ways Eventide can help:

Consolidation brings market efficiencies, but also big headaches and challenges. It's essential for management to keep track of multiple stations. And keeping a legal record of what was said and when commercials aired is also more important than ever. Several groups have standardized on **Eventide Digital Audio Loggers**. Our economical VR204 records up to 550 hours on a tiny palm-sized cassette. VR204 records up to 4 channels simultaneously so you can keep tabs on the competition's spot loads, play lists and talent while you record your own stations. New!! Now Eventide loggers let you record/play in Hi-Fi for full "broadcast quality." Ideal for show replays, time zone delays, etc.

Eventide's **BD500 Broadcast Delay** makes talk shows run smoother and sound better, for less. The BD500's multiple dump feature divides the delay time into several "slices" so you're still safely in delay even right after a "dump." It's the hassle-free talk solution... even when air talent is working without a producer. No other delay offers Eventide's high quality patented catch-up technology for clean audio combined with fast catch-up. And it's the only delay with optional digital inputs and outputs for new all-digital studios. Yet the BD500 costs thousands less than our previous delay unit.

Want to increase creativity without adding personnel? Add life to drive-time shows? Win new advertisers with better station-produced spots? An **Eventide Ultra-Harmonizer**® brand effects processor really does all that. Designed specifically for radio and production, the new DSP4000B Ultra-Harmonizer features radio effects designed by production whiz Jay Rose. Hundreds of comic voices, sound effects, reverbs, pitch changers and more are instantly accessible at the touch of a button. Plus, the DSP4000B has superb Timesqueeze® time compression/expansion capability. The DSP4000B has optional digital I/O to interface easily with digital editors and consoles. It's the radio effects box designed to bring stations more business and more listeners. *The bottom line:* Eventide broadcast products are potent tools for today's radio. To learn more, talk to your broadcast distributor, call Eventide direct at 201-641-1200, or see our website, [www.eventide.com](http://www.eventide.com).

# BOTTOM



# LINE



# BROADCASTING



## Better managed, better sounding radio yields better results.

## Eventide the next step

One Alsan Way, Little Ferry, NJ 07643  
Tel: 201-641-1200 Fax: 201-641-1640

Email: [broadcast@eventide.com](mailto:broadcast@eventide.com) Web: [www.eventide.com](http://www.eventide.com)

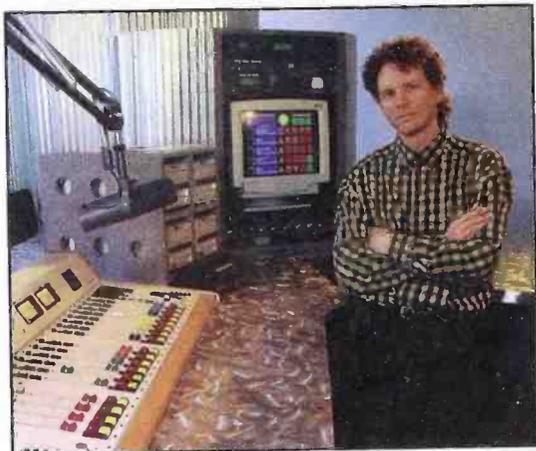
by Carl Marcucci

## Denver's Peak joins the group

For a long time, The Peak's sales force communicated with programming via fax. Sales was located in a slick, high-rent area of Denver and the studios were in a budget area across town.

Now, Chancellor's (O:AMFM) KXPK-FM (previously Ever Green's) is moving to the existing facility of KXKL-FM, KRRF-AM and KVOD-FM. (Chancellor's, KALC-FM and KIMN-FM—previously Secret stations—will stay at their separate location.) "I think it's important to have everybody in one place. The speed in which you can get things done goes way up. And, there's some camaraderie. If you have separations between a sales and programming force, they might not see eye to eye on doing things," said **Greg Benson**, CE, KXPK.

Benson and **Bill Harris**, CE for KXKL-FM, KRRF-AM and KVOD-FM, are heading the entire move. They started making plans in September



Greg Benson in new FM control room

'97 and pulled permits in November. The first phase of the move began in December. They relocated office staff in February, started new studio construction March 1 and went on-air April 1 at midnight.

While some groups hire outside engineering firms to do everything turnkey, Benson and Harris got their hands dirty on this one. "We handled all the wiring, and brought in an electrician to run conduits for us. I also brought in some part-time workers from "The Peak Lounge" (see p. 14) a day here and a day there. The biggest thing has been knowing when to get the guys in to do the work," said Benson.

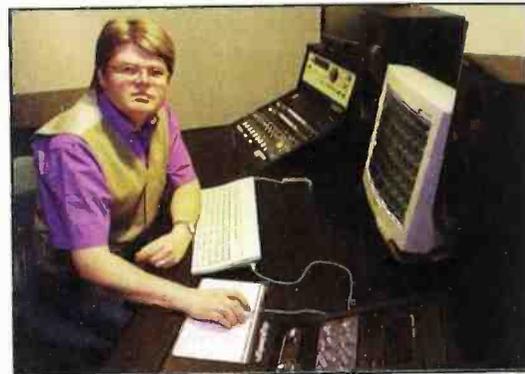
They also made all the purchasing decisions. Said Benson: "The only thing corporate saw was the big number. How to make that big number include everything—construction, infrastructure, equipment—the little things, was the hard part. We saw things come across the table that were \$10,000 that we didn't realize. Engineers lose a lot of sleep in these transitions."

### **New rooms, new equipment**

Moving the entire station to an 11th floor downtown high-rise wasn't easy. Said Benson: "There was 4,700 sq. ft. of unused space adjacent to the offices that the other three stations had. We started construction on that space, tore the wall down between the two spaces, relocated the old offices, tore up the old offices and built

studios. We had to relocate some people's offices twice."

In all, 7 studios were built or refurbished to house the consolidation, including The Peak's new FM control room, two production rooms (one shared with the other stations), an editing suite, voice booth and mastering suite (which doubles as Benson's office).



Tom Koetting in new production room

One of the new production rooms is optimized for the DigiDesign ProTools system. **Tom Koetting**, production director, will command ship in a room he calls "The Starship Enterprise." There is no mixer, except for a very small box in a rack mount just to get some analog in and out. He brings in everything in digital, keeps it in digital and will import it into Scott Studios.

Benson said Koetting chose ProTools because of its upgradeability: "The DSP farms (add-on cards) that come

*continued on page 14*

Mad  
Passionate  
Broadcasting  
for the  
21st Century

## Does Your Signal Suck?

Find out how to maximize your signal!

We analyze your coverage with highly accurate prediction and measurement systems, then provide solutions for a stronger, louder and cleaner signal. Worldwide.

800 801 CMBE (2623)

[www.cmbe.com](http://www.cmbe.com)

+1 530 676 4344



LOUDER  lower noise  
 no grunge  
 less distortion



# The Aphex Model 2020 FM Pro

## The Writing's on the Wall

- "It blew away the 8200, both in loudness and clarity."  
*Robert Mallery, Technical Consultant, Communication Service and Supply*
- "Heads above all the processors we evaluated."  
*Ray Baker, Chief Engineer, Ace Radio Broadcasting, Melbourne, Australia*
- "Super powerhouse processing and a big, tight, bone-jarring bottom end."  
*Pete Partenlo, Audio Specialist, Odyssey Communications*
- "The station pops right off the dial—it didn't do that before."  
*Tom Stittner, Chief Engineer of KSJL-FM, San Antonio, Texas*
- "We're getting calls from listeners commenting about the improvement in reception."  
*René Engel, General Manager, KCSN, Los Angeles*

**APHEX**  
 SYSTEMS

*Improving the way the world sounds<sup>SM</sup>*  
 11068 Randall Street, Sun Valley, CA 91352 U.S.A  
 818-767-2929 Fax: 818-767-2641 <http://www.aphexsys.com>

Plug into the smartest audio



# workstation ever created.



## Introducing AUDICY

The new AUDICY® was designed from the ground up to do what no other broadcast audio workstation has done: plug directly into the creative mind. Unlike complex workstations, it treats the editing process like an "inspiration with a deadline." If you've ever watched an editor sit down and try to read a manual under pressure, you'll understand why the new AUDICY is a study in "see it, get it, do it."

The clean, uncluttered control surface was specifically designed to look smart, feel good, and be instantly productive. The screen interface combines simplicity with a brilliant use of

"virtual hardware" graphics. And to keep pace with the endless rush of ideas and deadlines, AUDICY offers unrivaled speed and power. With RAM-based editing and mixing, you edit in real time—by ear—working on up to 24 tracks. Access to audio is instantaneous, even when using the complete suite of built-in effects including compression, EQ, and reverb. AUDICY even lets video people plug into advanced audio production with flexible SMPTE features. All of which means that creative minds can spend less time learning, more time creating, and still get on-air, on time. The genius of AUDICY is in making power simple.

**urban**®

H A Harman International Company

with ProTools basically give you the power to use other programs. If you want multi-band dynamics processing, you go out and buy it on a CD ROM, put it in your computer and now it has it."

The Peak's new FM control room is showcased by the PR&E Integrity digital console, and with that comes a new philosophy in processing. Said Benson: "I do like my processing chain now, but I'm doing some things to make it cleaner. I'm taking some things out of the chain. I'm not going to use as many gizmos."

Another production studio will act as a hybrid solution for PDs from all the stations. "We're refurbishing one of the existing large production rooms so it will have a standard Audiotronics air console, and a Pro-Tools system, so that somebody who is familiar with it can utilize it. On the other side, there will be a 2-track and cart machine, so somebody more familiar with that can also utilize the room. It's looking like that room can be shared by all the stations," said Benson.

#### We need to talk

Incorporating The Peak's existing hard disk delivery system (Register Data Systems—RDS) into the Scott Studios in-house system currently shared by the other stations will be just as impossible as incorporating its CBSI traffic system into the in-house Columbine system. They don't talk to each other, so it will be the "if you can't beat them" scenario as so many groups are dealing with now.

"There are two different networks—LANtastic and LANSmart. We're going to change over our in-house network to LANtastic to incorporate Scott Studios. It doesn't really use a server-type architecture. Production units input the audio basically through a coder sent to the on-air box that they are scheduled for," said Benson.

Differing digital sampling rates can also be a problem. Said Benson: "If you have a single audio card in your box and two files are trying to cross-fade with different sampling rates, they'll cut out. But if you have a box with two different sound cards, one sees the next file coming along at 44.1 and cross-fades it going out on the other sound card at 32 kHz. Scott Studios doesn't have a problem doing that because it uses multiple audio

cards in the playback box. However, RDS does. It uses a single sound card in their system and if you have two different files at two different sampling rates living inside, they will not cross-fade. You'll hear some pops and digital glitch on-air."

The final traffic system at the group still has to be decided. They are currently using CBSI, but the in-house standard is Columbine. They have been considering Marketron, however, going to Marketron requires hardware. "It is PC based, but Columbine is using an ARS-400 with terminals off of it. So, I think the big decision is going to be do we spend the money for terminals and change

over to Marketron or do we cut a new global deal with Columbine for all the stations," said Benson.

The network transition will happen in two phases. Said Benson: "We are going to decide on our new software, which for the sake of argument say is Columbine. Then we're going to have to change everything [both audio delivery and traffic] over to LANtastic. And then all the Scott Studios systems will all be linked together. In our transition, we're going to stay with RDS for a few weeks so we don't lose revenue or sound bad on the air. And then we'll change over to Scott Studios at night and over a weekend."

### The Peak Lounge: Live and local

Stations looking to attract talent encourage live performances for more cachet. It's nothing new—The *New York Times* (N:NYT) stations WQEW-AM and WQXR-FM for years have had high-quality in-house performance studios.

Adding to their own live and local image, The Peak has leveraged "The Peak Lounge" in-house for years, and now is moving it, bigger and better, to the second floor of a local nightclub venue.

In the past (and even today with many stations), somebody stopped in with a guitar, the DJ pulled the mic over, they'd sing, play the guitar and there was a mix. The next phase was bringing in a mixer, adding a little bit of reverb and plugging it in behind a two-track and getting it into the board. Originally, the Peak Lounge started out to be essentially a hot-rodged version of just that.

The latest buildout bumped up all the equipment and quality a couple of notches. "From the wiring using stage boxes with transformer isolation, new SoundCraft Ghost series consoles that have better EQ and more channels. We're also upgrading things like compressors—high end dBx blue series. We're using high end stuff because of the quality of the CDs that we play on the air. We're not an Oldies station—we're playing modern music produced on modern equipment. When we go to the Peak Lounge, we want the audio quality coming out of our studio to stand up to what we're playing on the air."

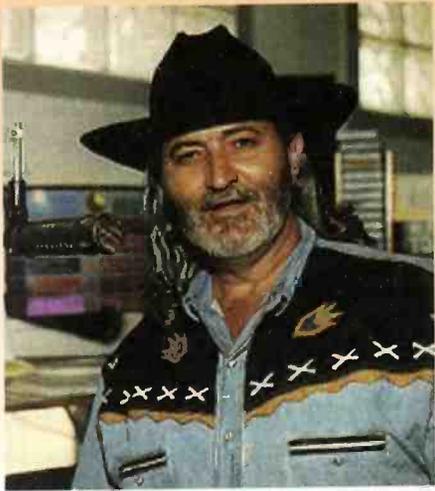
Upping the ante is costing big bucks. While the original Peak Lounge built in 1994 cost just under \$50,000, the cost has tripled that this time around.

Benson is connecting the lounge and station using ISDN lines and Telos Zephyrs. He is able to burn CDs at the station while the bands play.

The Yamaha CD ROM burner and mastering suite equipment are located in Benson's office, which besides a big desk, contains a computer and a DAT machine, a rack processor and a pair of speakers. "Basically, all the Peak Lounge CDs come through my mastering computer, and I'm IBM based for that—a 333 MHz with tons of RAM and a SCSI drive. I'm using Steinberg's WAVELAB software for burning CDs and some Mackie HR-824 monitors which are just great. I'm also utilizing TC Electronic's Finalizer processing which is basically the ultimate digital dynamic utility knife."



A band performs at the old Peak Lounge



# "How Did We Get Along Without It?"

**Jon Rivers - VP - KLTY, Dallas, Texas**

Successful radio stations in major markets like KLTY in Dallas *depend* on their Scott Studios Systems to keep them sounding great! KLTY has four Scott Systems under one roof for four Dallas area stations!

# "Scott is very User Friendly"

"Even the novice can come in and use the System well. The graphics are very easy and non-confusing. Plus, the auto fire allows air talent to work on multiple projects in the studio." ... "I have been pleased with the ongoing tech support provided. The Scott System is the most reliable system I've ever worked with."

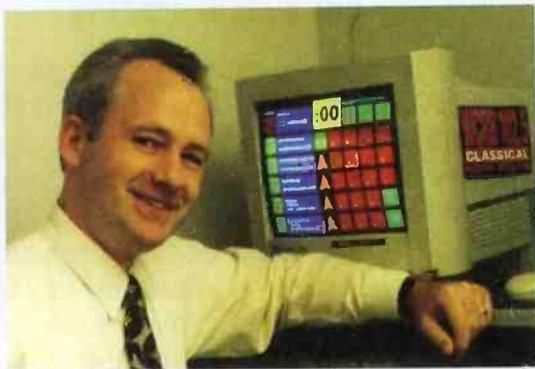
**Sherwood Dryden, Chief Engineer**  
**KDWB-FM & KTCZ-FM "Cities 97" - Chancellor Media**  
**Minneapolis-St. Paul, Minnesota**



# "Our Scott System works so well..."

"...on our two classical stations that we're using it to launch our national Hit Classical Radio format! WCRB Boston and WFCC Cape Cod are the best rated classical stations in the country. We owe our success to getting all the details right. Our Scott Systems help us do that. It's tough to get Classical Radio right. With the help of our Scott System, we do it every day."

**David Maxson, VP - WCRB FM, Boston**



WCRB Photo by Roberta W. Siegel

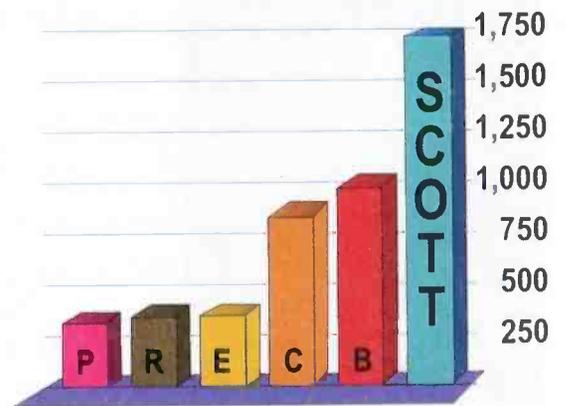
## More stations got Scott Systems in the last 12 months than bought most other systems in the past 4 years!

Most managers, air personalities *and* program directors *prefer* the Scott System. That's why *more* radio stations *get Scott Studios'* than any other digital audio system!

It's a fact: over 1,700 radio stations have 3,800 Scott digital workstations, including *major* groups like CBS, Chancellor, Disney/ABC, Clear Channel, Emmis, Citadel and many more.

Scott Systems are best because of:

- the friendliest user interface;
- uncompressed digital audio;
- 3 products--Good, Better & Best.



**Scott Studios Corp.**  
 13375 Stemmons Freeway, Suite 400  
 Dallas, Texas 75234 USA  
 (972) 620-2211 FAX: (972) 620-8811  
 8 0 0 7 2 6 8 8 7 7  
**(800) SCOTT-77**

# BROADCAST INVESTMENTS™

April 1—RBR Stock Index 1998

Company	Mkt:Symbol	3/25 Close	4/1 Close	Net Chg	Pct Chg	4/1 Vol (00)	Company	Mkt:Symbol	3/25 Close	4/1 Close	Net Chg	Pct Chg	4/1 Vol (00)
Ackerley	N:AK	23.312	21.312	-2.000	-8.58%	464	Jacor	O:JCOR	58.375	60.937	2.562	4.39%	6748
Alliance Bcg.	O:RADO	0.625	0.812	0.187	29.92%	980	Jeff-Pilot	N:JP	89.000	88.937	-0.063	-0.07%	741
Am. Radio Sys.	N:AFM	62.750	63.875	1.125	1.79%	1223	Jones Intercable	O:JOINA	17.625	18.750	1.125	6.38%	755
AMSC	O:SKYC	11.375	12.937	1.562	13.73%	6550	Metro Networks	O:MTNT	39.000	43.750	4.750	12.18%	380
Belo Corp.	N:BLC	54.125	53.687	-0.438	-0.81%	2539	NBG Radio Nets	O:NSBD	2.000	1.625	-0.375	-18.75%	0
Big City Radio	A:YFM	11.875	12.812	0.937	7.89%	169	New York Times	N:NYT	64.687	71.000	6.313	9.76%	3508
CBS Corp.	N:CBS	33.375	33.562	0.187	0.56%	15575	NewsComm.	O:NCOM	1.500	1.437	-0.063	-4.20%	51
CD Radio	O:CDRD	22.625	24.000	1.375	6.08%	1459	Otter Tail Power	O:OTTR	37.750	37.375	-0.375	-0.99%	397
Ceridian	N:CEN	54.125	53.500	-0.625	-1.15%	2073	Pacific R&E	A:PXE	4.000	4.750	0.750	18.75%	62
Chancellor	O:AMFM	46.125	45.375	-0.750	-1.63%	8444	Pulitzer	N:PTZ	79.625	80.312	0.687	0.86%	543
Childrens Bcg.	O:AAHS	3.250	3.187	-0.063	-1.94%	139	RealNetworks	O:RNWK	22.687	32.500	9.813	43.25%	4287
Clear Channel	N:CCU	99.062	97.250	-1.812	-1.83%	6199	Saga Commun.	A:SGA	19.625	20.875	1.250	6.37%	27
Cox Radio	N:CXR	46.000	49.687	3.687	8.02%	681	SFX Bcg.	O:SFXBA	95.000	97.500	2.500	2.63%	583
DG Systems	O:DGIT	3.812	3.812	0.000	0.00%	65	Sinclair	O:SBGI	56.375	58.125	1.750	3.10%	2773
Disney	N:DIS	106.875	106.062	-0.813	-0.76%	14155	SportsLine USA	O:SPLN	29.500	31.500	2.000	6.78%	1424
Emmis Bcg.	O:EMMS	50.250	55.125	4.875	9.70%	5044	TM Century	O:TMCI	0.500	0.437	-0.063	-12.60%	0
Faircom	O:FXCM	0.937	0.906	-0.031	-3.31%	0	Triangle	O:TBCS	0.125	0.125	0.000	0.00%	0
Fisher	O:FSCI	64.250	64.500	0.250	0.39%	6	Triathlon	O:TBCOA	10.625	10.000	-0.625	-5.88%	29
Gaylord	N:GET	36.000	35.937	-0.063	-0.18%	201	Tribune	N:TRB	67.812	70.187	2.375	3.50%	1186
Granite	O:GBTVK	11.250	11.500	0.250	2.22%	308	Westover	A:WTW	22.375	26.125	3.750	16.76%	370
Harris Corp.	N:HRS	54.375	52.437	-1.938	-3.56%	3688	Westwood One	O:WONE	30.937	30.000	-0.937	-3.03%	1319
Heftel Bcg.	O:HBCCA	46.000	43.250	-2.750	-5.98%	3342	WinStar Comm.	O:WCII	43.562	43.000	-0.562	-1.29%	12070

Communications Equity Associates  
invites you to listen to top industry  
experts as they discuss:

## The Financial Impact of the Digital Age

Will broadcasters merge with Silicon Valley?  
Who will own the digital future of broadcasting?

## The CEA Financial Breakfast

at the

NAB '98

### Featured Speakers:

Larry Chapman, *DirecTV*

Rick Ducey, *NAB*

Pete Mountanos, *Microsoft Corp.*

Dan Sullivan, *Sullivan Broadcasting*

Paul Sweeney, *Salomon Smith Barney*

Geoff Yang, *Institutional Venture Partners*

Wednesday, April 8, 1998

7:45 a.m. - 9:00 a.m.

Las Vegas Convention Center

Room N250

## Gay net's stock trading

Triangle Broadcasting Company (O:TBCS) began trading on the OTC bulletin board last month after merging with an SEC-registered shell company. Triangle, based in Rancho Mirage, CA, bills itself as "the first national broadcasting radio company to target the Gay and Lesbian market." The 24-hour net is currently on WNWR-AM Philadelphia and KBRO-AM Seattle & KNTB-AM Tacoma.

## PR&E earnings rise

Pacific Research & Engineering (A:PXE) announced last week (3/30) that its Q1 revenues and earnings will be higher than anticipated. The broadcast equipment maker and studio design/installation firm says it expects revenues to be a record, between \$4.3M and \$4.7M. That's about double the same period last year.

"We are beginning to see results from the investment in our strategic initiatives," said CEO **Jack Williams**. PR&E had announced a series of new products and alliances in 1997 and reported a backlog of orders at the end of the year.



COMMUNICATIONS  
EQUITY  
ASSOCIATES

CEA is a member of the National Association of Securities Dealers, Inc. and its professional associates are registered with the NASD. Member SIPC.

"See us at the NAB Booth #RL4413"

# HEAD ON, "THE BEST TRAFFIC SYSTEM IN THE BUSINESS."



**C**omputer Concepts' V.T. (Visual Traffic) is the "best traffic system in radio." And for good reason. Its Windows® based visual interface is easy to learn and V.T. offers multi station capabilities from one location. Add to that pre-defined management reports, station split functions for billing, A/R, commissions and more... you'll soon discover why V.T. makes it safe to play in traffic.



It's the most flexible, fully integrated traffic system available today.

**STOP** and take a moment to evaluate your current traffic system.

With V.T.'s management oriented approach, you'll keep pace with our rapidly changing industry whether you run one station or several groups of stations.

*Windows is a registered trademark of Microsoft.*

 **Computer Concepts Corporation**

8375 Melrose Drive • Lenexa, KS 66214 • Toll Free 1-800-255-6350 • Phone 913-541-0900 • Fax 913-541-0169 • [www.ccc-dcs.com](http://www.ccc-dcs.com)

by Jack Messmer

## Capstar IPO sets stage for more growth

Capstar CEO **Steve Hicks** has finally revealed how he and brother **Tom Hicks'** Hicks, Muse, Tate & Furst are going to fund Capstar's \$2.1B buy of SFX Broadcasting (O:SFXBA), pending since last fall (RBR 9/1/97, p. 10). They're taking the company public. That's hardly surprising, since Capstar filed for an IPO last year (RBR 4/12/97, p. 12), then elected to continue building the company before selling stock to the public.

At the same time as its new IPO, Capstar filed its annual report for 1997, showing that net revenues shot up 309% to \$175.4M and broadcast cash flow gained 330% to \$53.3M. On a same station basis, revenues gained 5% and cash flow increased 21%. The chart on the next page details Capstar's financial picture from three view-

points—actual figures for 1997, pro forma to include all acquired stations for the full year and pro forma with SFX and the IPO added in.

Several executives of Capstar and its regional subsidiaries have already made their investments in the company, although the IPO filing doesn't yet say what percentage of the equity will be owned by management. Steve Hicks has invested \$3.2M, Exec VP/General Counsel **William Banowsky Jr.** \$500K, Pacific Star President **Dex Allen** \$400K, Central Star President **Mary Quass** \$1M and Capstar director **R. Gerald Turner** \$100K. Director and former Southern Star President **Frank Osborn** also owns a substantial block of Capstar stock as a result of his deal to merge Osborn Communications into Capstar (RBR 7/29/96, p. 14).

By far the biggest Capstar equity owner, though, is Hicks, Muse, Tate & Furst. The Dallas-based investment group and its affiliates have invested \$799.8M in Capstar stock. Two other venture funds have invested over \$40M.

Capstar has filed to sell up to \$632.5M in stock to the public. However, its "use of proceeds" indicates that only \$550M in stock will have to be sold to fund the SFX acquisition, so the exact size of the offering is apparently still being determined. The rest of the SFX price tag would be covered by a \$250M loan from Chancellor Media (O:AMFM), more than \$642M in new borrowing, nearly \$253M from a series of station sales (below) and approximately \$315M in cash on hand.

Despite increasing its debt load (see chart, page 19) with the SFX deal, don't look for Capstar to slow down on acquisitions. Only \$143.25M in pending acquisitions are being turned into tax-free exchanges to be applied to Capstar's \$637.5M spin-off of 11 large market SFX stations to Chancellor Media (RBR 3/2, p. 12). Capstar will have until 2/20/2001 to designate additional acquisitions for the \$494.25M balance. Meanwhile, Chancellor will pay LMA fees totaling \$49.4M for the 11 stations, although that amount will decrease as swaps occur. Lead underwriter: CS First Boston

R. Steven Hicks, President of  
**Capstar Broadcasting Partners**

*has agreed to transfer the assets of*

**WBLI-FM, WBAB-FM  
WHFM-FM, WGBB-AM  
Nassau-Suffolk, New York**

*for*

**\$48,000,000**

*to*

Box Neil, Executive Vice President of  
**Cox Radio, Inc.**

**Star  
Media  
Group, Inc.**

**"Radio's Full Service  
Financial Specialists"™**

5080 Spectrum Drive, Suite 609 East • Dallas, TX 75248 • (972) 458-9300

### **Spin-offs clear way for SFX closing**

Hot on the heels of its \$54M sale of SFX's KKPN-FM Houston to Heftel (RBR 3/30, p. 12), Capstar CEO Steve Hicks inked three more spin-off deals to clear the way for the SFX closing. Only the sale of WTAE-AM Pittsburgh remains to complete the required spinoffs.

In a move which will placate the DOJ (see p. 3), Capstar is selling WGBB-AM, WBLI-FM, WBAB-FM & WHFM-FM Long Island to Cox Radio (N:CXR) for \$48M. Chancellor Media, which has LMA'd the foursome for a year and a half, originally agreed

take them in trade for two Jacksonville, FL FMs. The Florida pair will now be part of a \$143.25M swap for KODA-FM Houston. **Broker: Paul Leonard**, Star Media Group Clear Channel (N:CCU) is buying five stations from Capstar in two markets for \$6.5M. The deal will add WJMN-FM Daytona Beach to Clear Channel's superduopoly in the nearby Orlando market and give **Lowry Mays'** company an entry to the Greenville, SC market with WESC-AM & FM, WJMZ-FM and WTPT-FM.

And finally, in the Danbury, CT market, a company headed by **Frank Washington** will buy WINE-AM, WPUT-AM, WRKI-FM & WAXB-FM for \$15M, although Capstar will retain a non-voting equity interest. Capstar previously sold Washing-

### Capstar by the numbers

1997 financial results

(\$ in millions)

	Actual Results	ProForma Without SFX	ProForma Including SFX
Net revenues	\$175.4	\$289.1	\$569.6
Broadcast cash flow	\$53.3	\$81.5	\$215.8
Cash flow margin	30.4%	28.2%	37.9%
Operating income	\$2.1	\$2.3	\$52.4
Long-term debt	\$594.6	\$452.9	\$1,672.3*
Net loss	\$45.7	\$53.0	\$143.0*

\*Includes effect of IPO

Source: Capstar S-1 filed with SEC 3/27/98

ton four stations in New York and one in Delaware under similar terms for \$49M. It appears Washington's BBR Group is the nation's third-largest African-American owned radio group, in terms of billings, behind Radio One and Inner City.

# SOLD!

KAMP/KWST/KMXX, El Centro, California from Kamp Radio, Inc. to Entravision Communications for \$2,400,000.

Elliot B. Evers represented the seller.

BRIAN E. COBB  
CHARLES E. GIDDENS  
703-827-2727

RANDALL E. JEFFERY  
RANDALL E. JEFFERY, JR.  
407-295-2572

ELLIOT B. EVERS  
415-391-4877

GEORGE I. OTWELL  
513-769-4477

RADIO and TELEVISION  
BROKERAGE • APPRAISALS



**MEDIA VENTURE PARTNERS**

WASHINGTON, DC  
ORLANDO • CINCINNATI  
SAN FRANCISCO

Subject to F.C.C. approval

## Cumulus seeking \$481M on Wall Street

After nearly a year of avoiding the public spotlight as much as possible, Cumulus Media is going public in a big way. The medium and small market mega-group has filed to sell \$115M in common stock, \$133M in exchangeable/redeemable preferred stock, \$133M in subordinated exchange debentures and \$100M in senior subordinated notes—a total of \$481M. The stock will trade on the Nasdaq market as "CMLS."

What are potential stockholders buying? Cumulus' SEC filing is well over 1,000 pages and contains lots of financial information from the 167 radio stations it has either recently acquired or has deals pending to buy. By the company's own admission, the historical figures don't give much of an indication of how all those stations will perform under their new ownership and assembled into new regional superduopolies. The chart, above, summarizes Cumulus' financial figures.

The IPO filing leaves lots of blanks to be filled in when the company is closer to actually pricing the offerings. Cumulus' biggest shareholder, the State of Wisconsin Investment Board, will sell off part of its stake along with the IPO, but the SEC filing doesn't indicate how large of a stake the state retirement fund will retain or how much of the company's equity will be sold to the public. Other big investors include NationsBanc Capital, Heller Equity Capital, Northwest Mutual Life Insurance, and companies controlled by Cumulus' Chairman **Richard Weening** and Executive Vice Chairman **Lew Dickey Jr.** President **William Bungeroth** and Vice President/CFO **Richard Bonick Jr.** are also shareholders. Lead underwriters: Lehman Bros.; Bear, Stearns & Co.

### Cumulus Media Inc.

(\$ in millions)

	Actual 5/22-12/31 1997	Pro forma* Full year 1997
Net revenues	\$9.2	\$106.2
Broadcast cash flow	\$2.0	\$27.7
Net loss	\$3.6	\$27.7

\*Includes all completed and pending acquisitions, plus financial impact of IPO and related offerings

Source: Cumulus Media S-1 3/30/98

**More Media Markets & Money news on p.20**

McCoy Broadcast Brokerage, Inc.

## REAL RESULTS.

Closed!

KRKJ 1470 AM  
KEZZ 102.1 FM  
Estes Park, CO



JOSEPH BENNETT MCCOY, III  
COLORADO SPRINGS, COLORADO  
719-630-3111 PHONE  
719-630-1871 FAX

### NF&A

is pleased to announce the addition of  
**Bernie Fuhrmann**  
to represent the firm in brokerage services in the  
mid-Atlantic and East coast

Bernie Fuhrmann will be officing at  
1330 Biafore Ave., Bethlehem, PA 18017  
(610) 317-2424 (610) 882-0757 fax

Norman Fischer & Associates, Inc.  
2201 North Lamar Blvd., Ste. 204  
Austin, Texas 78705  
(512) 476-9457 (512) 476-0540 fax

## HAMMETT & EDISON, INC.

CONSULTING ENGINEERS  
RADIO AND TELEVISION

Serving the broadcast industry since 1952...

Box 280068 • San Francisco • 94128



707/996-5200  
202/396-5200  
engr@h-e.com  
www.h-e.com

## INCREASE ROI NOW!

## SABO media

Talk Radio Experts  
212.808.3005

### STUDIO SYSTEMS INTEGRATION

- Project management
- Design services
- Prewired installations
- Systems for every budget
- Digital ready



## ABG

Audio Broadcast Group Inc.

Fax: 616-452-1652  
E-mail: support@abg.com  
Web Site: www.abg.com

Real world solutions for your duopoly.  
LMA, group or single station operation.

## 1-800-999-9281

## Emmis into TV for \$397M

Our story (RBR 3/23, p. 8) proved prophetic. Emmis Broadcasting (O:EMMS) is getting into TV—and in a big way. CEO **Jeff Smulyan** has inked deals to pay \$397M for six TV stations, with three radio stations thrown into the bargain. Former Fox Television Stations president **Greg Nathanson** is joining Emmis to run the new TV group. He'll be based in L.A., but other functions of the TV group will be based at Emmis' new HQ building in Indianapolis.

Emmis is paying \$307M for the four Fox affiliates owned by SF Broadcasting, a 50/50 partnership of **Rupert Murdoch's** News Corp. (N:NWS) and **Barry Diller's** USA Networks (O:USAI), with USA having voting control to keep Murdoch's Fox station group from exceeding FCC audience limits. The deal includes WLUK-TV (Ch. 11) Green Bay, WVUE-TV (Ch. 8) New Orleans, WALA-TV (Ch. 10) Mobile, KHON-TV (Ch. 2) Honolulu and a series of satellite stations on other Hawaiian islands.

In the second deal, Emmis is buying the remaining broadcast assets of Wabash Valley Broadcasting for \$90M. Wabash is owned by the **Hullman** and **George** families, best known for owning the Indianapolis Motor Speedway. This deal adds one more Fox affiliate to Emmis TV, WFTX-TV (Ch. 36) Ft. Myers, FL, along with a CBS affiliate, WTHI-TV (Ch. 10) Terre Haute, IN, and a trio of Terre Haute radio stations—WTHI-AM & FM & WWVR-FM. WTHI-FM is the market's top-billing station and RBR estimates the radio portion of this price tag at \$8M.

Terre Haute, Arbitron market #186, is considerably smaller than Emmis' current smallest radio market (#37, Indianapolis), so Emmis executives will be assessing whether to keep or sell the radio stations, which have some functions integrated with WTHI-TV. "Right now, our intention is to keep the radio stations," said Smulyan. Investment banker: (for Emmis) Morgan Stanley, (for USA Nets & News Corp.) RP Ventures

Media Markets & Money  
continued on page 22

## NORWEST

## Communications Finance

...invites you to attend  
"Station Financing in the Small and  
Medium Markets"  
session during the NAB Conference in

Las Vegas on Wednesday, April 8, 1998  
Las Vegas Convention Center/Room N238  
10:30 am to 11:45 am

Or contact us to arrange a meeting at NAB



Karen A. Dorn  
Vice President & Manager  
(612) 667-0259  
Karen.A.Dorn@norwest.com



Brent W. Malcom  
Vice President  
Business Development  
(612) 667-4225  
Brent.W.Malcom@norwest.com



## To The Nth Degree®

Norwest Communications Finance

Sixth & Marquette  
Minneapolis, MN 55479-0058

© 1998 Norwest Bank Minnesota, N.A.

Member FDIC

# RADIO LEADER

**REGENT**  
COMMUNICATIONS, INC.

**\$55,000,000**  
Senior Credit Facilities

 **Bank of Montreal**  
Lead Agent  
Sole Underwriter  
Equity Investor

 **BEASLEY BROADCAST GROUP**

**\$140,000,000**  
Senior Credit Facilities

 **Bank of Montreal**  
Lead Agent  
Sole Underwriter

**Root.**  
COMMUNICATIONS

**\$65,000,000**  
Senior Credit Facilities

 **Bank of Montreal**  
Lead Agent  
Co-Underwriter

**WICKS**  
BROADCAST GROUP

**\$120,000,000**  
Senior Credit Facilities

 **Bank of Montreal**  
Co-Managing Agent  
Co-Underwriter  
Equity Investor



**HBC**  
Hefel Broadcasting Corporation

**\$300,000,000**  
Senior Credit Facilities

 **Bank of Montreal**  
Documentation Agent  
Co-Underwriter



**CLEAR CHANNEL**  
COMMUNICATIONS, INC.

**\$1,750,000,000**  
Senior Credit Facilities

 **Bank of Montreal**  
Co-Syndication Agent  
Co-Underwriter

**Renda Broadcasting**  
Corporation

**\$39,000,000**  
Senior Credit Facilities

 **Bank of Montreal**  
Lead Agent  
Sole Underwriter

**Forever Broadcasting LLC**

**\$22,500,000**  
Senior Credit Facilities

 **Bank of Montreal**  
Lead Agent  
Sole Underwriter



**Bank of Montreal**

*For further information, please contact:*

*Yvonne Bos, Senior Vice President, Media & Communications Group, at (212) 605-1424  
Michael Andres, Managing Director, Broadcasting, at (770) 673-2662 (Atlanta) or (212) 605-1632 (New York)*

## Clear Channel deal challenged

Clear Channel's (N:CCU) \$735.7M bid to buy More Group Plc. (RBR 3/9, p. 14), a European outdoor advertising company based in London, is in trouble. France's Decaux SA, a competing outdoor company, launched a competing bid of \$797.8M for More Group.

Although European media reports

speculated that Decaux was only trying to derail the sale and keep Clear Channel out of its markets, Decaux Chairman **Jean-Francois Decaux** insisted in a Reuters interview that his bid could pass muster with antitrust watchdogs in Britain, where the combined company would have its greatest concentration.

Following the Decaux bid, More's board withdrew its endorsement of the Clear Channel offer. At RBR's deadline Clear Channel had not announced a higher bid.

## Emmis cash flow up 15%

A day after announcing its TV deals, Emmis announced that revenues rose 22% to \$125M for the company's fiscal year, which ended Feb. 28th. Broadcast cash flow gained 15% to \$58.2M. Emmis officials say the TV acquisitions will add approximately \$70M in revenues and \$25M in cash flow.

## Record year for Triathlon

Triathlon Broadcasting (O:TBCOA) reported record results for 1997, with net revenues up 77% to \$33.6M. Broadcast cash flow gained 92% to \$10.2M.

On a pro forma basis, Triathlon said revenues rose 15% and cash flow 22%. CEO **Norm Feuer** also noted with pride that the company's pro forma cash flow margin improved to 32.2% from the previous 28.8%. Triathlon has been for sale, but has yet to announce a deal.

## Big City trimming deficit

In its first report since a \$33M IPO (RBR 1/12, p. 15), Big City Radio (A:YFM) said its cash flow deficit for 1997 was \$2M, a \$2.3M improvement over its \$4.3M deficit in 1996. Net revenues rose 32% to \$10.5M. Big City said most of the revenue gain was attributable to its Los Angeles trimulcast.

## Jacor lassoes another Cheyenne signal

A fierce Country battle is coming to an end in Cheyenne as KMUS-FM moves under the Jacor (O:JCOR) umbrella in a \$1.2M buyout of KMUS Inc. It'll be the fourth FM and fifth station for Jacor in Arbitron market #265 (of 267).

## Capstar still buying

Dealing with a pending IPO (page 18) isn't curbing **Steve Hicks'** appetite for acquisitions. Capstar is picking up some superduopoly mates for WEZF-FM Burlington, VT with a \$5.25M deal to buy WXPS-FM & WCPV-FM. The two selling companies are owned by **Jeffrey Shapiro**, **Bill Goddard** and **Ken Barlow**.

In addition, Capstar is LMAing WEAV-AM with an option to buy the station. All of the Burlington stations will become part of Capstar's Atlantic Star group, headed by **Jim Shea**. **Broker: Dick Foreman**, Richard A. Foreman Associates

## RBR's deal digest

**Scott Krusinki's** Legend Broadcasting is buying KBOA-AM, KTMO-FM & KBOA-FM Kennett, MO-Piggott, AR for \$2.1M from **Ken Meyer's** Meyer Communications. **Broker: Ralph Meador**... Digisphere group owners **Cliff Burnstein** and **Peter Mensch** are adding a combo just south of their Jacksonville CP (RBR 2/9, p. 12) with a \$1.9M buy of Ariel Broadcasting's WAOR-AM & WJQR-FM St. Augustine, FL... Nevada Media Group is paying K-NEWS Broadcasting \$1.5M for KNUU-AM Las Vegas... **Henry & Delphine Stickney** are buying **Fernando Oaxaca's** KNSE-AM Ontario, CA for \$1.5M. **Broker: Ray Stanfield**... **Bruce Maduri's** and **Don Childress'** Genesis Communications has its second Atlanta-area AM with a \$475K buy of WVNF-AM from Milton Broadcasting... **L. Kathryn Messner** is getting into station ownership with a \$115K buy of WFAD-AM Plattsburgh, NY from **Mark Brady**. **Broker: Dick Kozacko**

## AMRESKO Funding Corporation

*We do smart, aggressive broadcast deals  
traditional lenders will not do.  
Creative, flexible and fair.*

**\$5 to \$50 million**

AMRESKO Funding Corporation  
700 North Pearl Street, Suite 2400  
Dallas, Texas 75201-7424  
(214) 953-8323



Proven performance. Promising future.

Offices throughout the U.S.; in Toronto, Ontario, Canada and in London, England, U.K.  
Corporate Headquarters: 700 North Pearl . Dallas, Texas 75201 . (214) 953-7700  
Internet: <http://www.amresco.com> . Nasdaq: AMMB

# TRANSACTION DIGEST

by Jack Messmer & Dave Seyler

The deals listed below were taken from FCC filings made public during the week from Wednesday, March 25 through Tuesday, March 31. RBR's Transaction Digest reports on all deals that involve assignment of a station license (FCC Form 314) and substantial transfers of control of a licensee via a stock sale (FCC Form 315), but not internal corporate restructurings (FCC Form 316). All deals are listed in descending order of sales price.

**\$12,000,000—\* KAZN-AM** Los Angeles (Pasadena CA) from Pan Asia Broadcasting Inc. (Edward Kim) to Multicultural Radio Broadcasting Inc. (Arthur Liu). \$500K escrow, balance in cash at closing. **Superduopoly** with KALI-AM & KYPA-AM. Note: No contour overlap with KWPA-AM or KALI-FM.

**\$10,700,000—\* 107.7 mhz** Washington DC (Warrenton VA) from First Virginia Communications Inc. (Sydney & Frances Abel, Kenneth Seidel, Bahman Teimourian, Carol Winer, Michael Gildenhorn, Richard Scharf, Joseph Gildenhorn) to Bonneville Holding Co. (Bruce Reese, chair./pres.), a subsidiary of the BHC Reserve Trust, controlled by the First Presidency of the Church of Jesus Christ of Latter-day Saints (Gordon Hinckley, pres.). \$8.1M cash plus 94.3 mHz license (below). **Superduopoly** with WTOP-AM & WGMS-FM Washington DC and WXTR-AM Frederick MD. Notes: No contour overlap with WWZZ-FM Waldorf MD-Washington DC or WWVZ-FM Braddock Heights-Frederick MD. LMA since 4/1. The buyer and seller will exchange call letters, making the 107.7 station WTOP-FM. **Broker:** Mitt Younts, Media Services Group

**\$7,000,000—\* KLXX-AM, KBYZ-FM, KAFL-FM & KKCT-FM** Bismarck (Bismarck-Mandan ND) from Missouri River Broadcasting Inc. & JKJ Broadcasting (James Ingstad) to Cumulus Licensing Corp., a subsidiary of Cumulus Broadcasting Inc. (William Bungeroth, Richard Bonick Jr.), a subsidiary of Cumulus Media LLC (Richard Weening, Lewis Dickey Jr.). \$350K letter of credit as escrow, \$7M in cash at closing. Existing **superduopoly**. **Broker:** Elliot Evers & George Otwell, Media Venture Partners

**\$6,050,000—\* KDSX-AM** Denison-Sherman TX and **KXIL-FM** Sanger TX from Sock Hop AM 950 Inc. (Ralph Kerr, pres.) & Metrosound of North Texas LLC (Richard Witkovski, pres.) to KRBE Lico Inc. (David Kennedy, pres.), a subsidiary of Susquehanna Radio Corp. (Louis J. Appell

Jr., chair.). \$305K escrow, balance in cash at closing. \$2.55M is allocated to KDSX and \$3.5M for KXIL. KDSX creates a **superduopoly** with KLIF-AM & KTCK-AM Dallas-Ft. Worth and KXIL creates a **duopoly** with KLIF-AM & KPLX-FM, but neither has a contour overlap with KKZN-FM. Note: KDSX carries with it a CP for an expanded band station on 1700 kHz which will serve the Dallas-Ft. Worth market. **Broker:** George Moore, George Moore & Associates

**\$3,800,000—\* WMXT-FM, WBZF-FM & WWFN-FM** Florence (Pamplico-Marion-Lake City SC) from Pamplico Broadcasting LP (T. Furman Brodie) to Cumulus Licensing Corp., a subsidiary of Cumulus Broadcasting Inc. (William Bungeroth, Richard Bonick Jr.), a subsidiary of Cumulus Media LLC (Richard Weening, Lewis Dickey Jr.). \$160K letter of credit as escrow, \$3.8M in cash at closing. **Broker:** Charles Giddens, Media Venture Partners

**\$2,600,000—94.3 mHz** Washington DC (Warrenton VA) from Bonneville Holding Co. (Bruce Reese, chair./pres.), a subsid-

ary of the BHC Reserve Trust, controlled by the First Presidency of the Church of Jesus Christ of Latter-day Saints (Gordon Hinckley, pres.) to First Virginia Communications Inc. (Sydney & Frances Abel, Kenneth Seidel, Bahman Teimourian, Carol Winer, Michael Gildenhorn, Richard Scharf, Joseph Gildenhorn). Exchange as partial payment for 107.7 station (above). LMA since 4/1. The buyer and seller will exchange call letters, making the 94.3 station WUPP-FM. **Broker:** Mitt Younts, Media Services Group

**\$406,000—\* WLJZ-FM** Northwest Michigan (Mackinaw City MI) from Power Pager Inc. (Ronald Reynolds) to Calibre Communications LLC (Michael Harnett, David Gariano, Palmer Pyle, Wade Fetzer). \$1K escrow, \$400K (less escrow) in cash at closing, \$6K under noncompete agreement. **Superduopoly** with WIDG-AM, WCBY-AM, WGFM-FM & WMKC-FM.

**\$300,000—\* KIEZ-AM** Monterey-Salinas (Carmel Valley CA) from Central Coast Communications Inc. (Jaime Bonilla Valdez) to Wagenvoord Advertising Group Inc. (David & Lola Wagenvoord). \$25K escrow, \$25K cash at closing, \$250K note. **Duopoly** with KNRY-AM. Note: Buyer is also paying to move and reconstruct studio/offices and to repair transmitter. LMA since 1/1/98.

**CLOSED!**

WKBQ-AM  
WKBQ-FM  
WKXX-FM  
St. Louis, MO

**\$42.5 M**

**SOLD!\***

assets of  
WUPP-FM  
for the assets of  
WTOP-FM  
Warrenton, VA

plus

**\$8.1 M**

**CLOSED!**

WWYZ  
Hartford-  
New Britain-  
Middleton, CT

**\$25.25 M**

**CLOSED!**

WARM-AM  
WMGS-FM  
Wilkes-Barre  
Scranton, PA

**\$11.0 M**

**CLOSED!**

KTOM-AM  
KTOM-FM  
Monterey-  
Salinas, CA

**\$8.0 M**

**CLOSED!**

KCIX-FM  
KXLT-FM  
Boise, ID

**\$7.56 M**

**CLOSED!**

WMEZ-FM  
Pensacola, FL

**\$7.0 M**

**CLOSED!**

WKES-FM  
St. Petersburg, FL

**\$35.323 M**

**SOLD!\***

KADY-TV  
Oxnard, CA

**\$11.0 M**

**CLOSED!**

KPSL-AM  
KCMJ-AM  
KCMJ-FM  
KSES-FM  
KNWZ-AM  
Palm Springs, CA

**\$7.25 M**

**CLOSED!**

KEZJ-FM  
KLIX-AM  
KLIX-FM  
Twin Falls, ID

**\$9.0 M**

The Following Partners and Associates will Attend the NAB:

Mitt Younts, George Reed, Bob Maccini  
Greg Merrill, Bill Lytle, Kevin Cox,  
Tom McKinley, Austin Walsh,  
Scott Knoblauch, Glenn Way,  
Michael McKinley and Stephan Sloan

**SOLD!\***

KCLB-AM  
KCLB-FM  
Palm Springs, CA

**\$7.0 M**

Visit our Hospitality Suite at the NAB! Room 28-110, Las Vegas Hilton, April 6 & 7

**MEDIA SERVICES GROUP, INC.**

ACQUISITIONS • VALUATIONS • FINANCING • CONSULTATION

San Francisco • Philadelphia • Washington • Kansas City • Providence • Salt Lake City • Jacksonville • Richmond

\*Pending FCC Approval

# THE BEST DIGITAL STUDIO SYSTEM ...DESIGNED BY YOU.

*We only named it.*

**Y**ou've got your own set of problems. Multiple stations, numerous studios and locations. Change, change, and more change. So wouldn't it be nice if there was a complete digital studio system out there, that would let you configure your radio operation your way? There is. We call it AudioVAULT®

And the reason why AudioVAULT is in use at more stations, in more countries than any other, is simple. It's configured by the people who use it. As a result, AudioVAULT delivers your program content in any format... from satellite to live assist to complete walkaway. And best of all, AudioVAULT does it efficiently, effectively, and reliably. No other digital studio system out there compares. It's the solution to your problems. All of them.

Visit our web site or call us for a free info packet.

**Audio  
VAULT®**

**Need Solutions?**

**[www.bdcast.com](http://www.bdcast.com)**

**or (217) 224-9600**

The BE emblem is a registered trademark of Broadcast Electronics, Inc.



**Solutions for  
Tomorrow's Radio**